

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

D.N.J. LBR 2016-1, FEE APPLICATION COVER SHEET

IN RE: Shapes/Arch Holdings L.L.C., et al

APPLICANT: Phoenix Management Services,
Inc.

CASE NO.: 08-14631 (GMB)

CLIENT: Shapes/Arch Holdings L.L.C., et al

CHAPTER: 11

CASE FILED: March 16, 2008

COMPLETION AND SIGNING OF THIS FORM CONSTITUTES A CERTIFICATION UNDER
PENALTY OF PERJURY, PURSUANT TO 28 U.S.C. SECTION 1746.

RETENTION ORDER(S) ATTACHED

SECTION I
FEE SUMMARY

INTERIM FEE APPLICATION NO. _____ OR FINAL FEE APPLICATION X

	<u>FEES</u>	<u>EXPENSES</u>
TOTAL PREVIOUS FEE REQUESTED ¹ :	\$ <u>0.00</u>	\$ <u>0.00</u>
TOTAL FEES ALLOWED TO DATE ² :	\$ <u>0.00</u>	\$ <u>0.00</u>
TOTAL RETAINER (IF APPLICABLE) ³ :	\$ <u>125,000.00</u>	\$ <u>0.00</u>
TOTAL HOLDBACK (IF APPLICABLE):	\$ <u>73,591.20</u>	\$ <u>0.00</u>
TOTAL RECEIVED BY APPLICANT:	\$ <u>294,364.80</u>	\$ <u>3,399.72</u>

NAME OF PROFESSIONAL & TITLE	YEARS ADMITTED (OR YEARS OF PROFESSIONAL SERVICE)	HOURS	RATE	FEE
1. Vincent J. Colistra, Managing Director	30+	62.30	\$405.00	\$25,231.50
2. Gregory Felix, Analyst	10+	72.90	\$155.00	\$11,299.50
3. Michael E. Jacoby, Managing Director	20+	614.80	\$405.00	\$248,994.00

¹ Phoenix has filed monthly fee statements pursuant to the Court's Order dated March 18, 2008 approving interim compensation procedures.

² To date, no fees have been allowed by Court Order; however, Phoenix has filed monthly statements and been paid pursuant to the Court Order approving interim compensation procedures.

³ Phoenix held a retainer of \$125,000 on the filing date, which has been reduced to \$91,638.19 because a portion of the retainer was used to pay 80% of the Fees and 100% of expenses under the First Monthly Fee Statement.

NAME OF PROFESSIONAL & TITLE	YEARS ADMITTED (OR YEARS OF PROFESSIONAL SERVICE)	HOURS	RATE	FEE
4. Mark A. Karbiner, Vice President	10+	594.50	\$245.00	\$145,652.50
5. Albert J. Mink, Director	30+	1.00	\$305.00	\$305.00
Total		1,345.50		\$431,482.50

FEE TOTALS-PAGE 2	\$431,482.50
DISBURSEMENTS TOTAL -PAGE 3	<u>\$4,182.50</u>
TOTAL FEE APPLICATION	\$435,665.20

SECTION II
SUMMARY OF SERVICES

SERVICES RENDERED	HOURS	FEE
a) Plans of Reorganization and Disclosure Statements	54.40	\$21,888.00
b) Schedules and SOFAs	124.30	\$30,817.50
c) Develop, Update and Rollforward the 13 week Cash Flow Forecast and Weekly Scorecards and Rollforwards	573.00	\$157,441.00
d) Loan Agreement issues and negotiation, including waivers, extensions and availability	39.80	\$15,191.00
e) Liquidation Analysis	62.20	\$24,191.00
f) Financial Forecast, Feasibility and Pro Forma Balance Sheet	23.70	\$9,598.50
g) Preparation of Monthly Operating Reports and Other Information for US Trustee	8.10	\$3,280.50
h) Respond to Information Requests and other Dialogue with Creditor's Committee and Financial Advisor	62.90	\$25,474.50
i) Prepare for depositions, testimony and attend hearings	65.10	\$26,365.50
j) Review information and filings by HIG/Arch; Respond to information and due diligence requests by HIG and Xroads	86.70	\$32,088.50
k) Case Management	18.50	\$7,492.50
l) Review and analyze historical and forecasted operational and financial data	17.80	\$7,209.00
m) Develop, analyze and revise issued pertaining to the Emergence Funding Cap	36.00	\$14,580.00
n) Analysis and review of union issues	32.70	\$6,568.50
o) Review, analyze and categorize claims, develop rationale for objections, and calculate funding requirements at emergence	81.00	\$26,665.00
p) Develop listing of executory contracts and cure amounts	17.40	\$5,672.00
q) Review and comment on bidding procedures; Discussions and preparation of due diligence information for Nat City and various potential competing bidders	22.80	\$9,234.00
r) Emergence issues	10.90	\$4,414.50
s) Fee application preparation	8.20	\$3,321.00
SERVICES TOTAL:	1,345.00	\$431,482.50

SECTION III
SUMMARY OF DISBURSEMENTS

DISBURSEMENTS	AMOUNT
a) Mileage	\$2,585.20
b) Air and Rail	\$427.00
c) Taxi	\$30.00
d) Tolls	\$243.00
e) Parking	\$143.50
f) Meals	\$288.72
g) Phone	\$60.00
h) Pacer	\$405.28
DISBURSEMENT TOTAL:	\$4,182.70

SECTION IV
CASE HISTORY

(NOTE: Items 3-6 are not applicable to applications under 11 U.S.C. § 506)

(1) DATE CASE FILED: March 16, 2008

(2) CHAPTER UNDER WHICH CASE WAS COMMENCED: Chapter 11

(3) DATE OF RETENTION: By Order dated April 9, 2008, Phoenix was retained to represent the Debtors as their restructuring advisor in these bankruptcy proceedings on the terms set forth in Phoenix's retention application, effective as of March 16, 2008.

(4) SUMMARIZE IN BRIEF THE BENEFITS TO THE ESTATE AND ATTACH

SUPPLEMENTS AS NEEDED: Phoenix served as restructuring advisor to the Debtors and in this capacity provided valuable advise to the Debtors. Phoenix also spearheaded the majority of the reporting that was unique to the Chapter 11 environment, including the weekly rollforward of the weekly cash flow forecast, the preparation of the weekly budget scorecard, the liquidation analysis, the pro forma balance sheet at emergence, the flow of funds at emergence, claims analysis, and various other analyses. Phoenix also served as the primary liaison and buffer between the Company and various external constituents, including the Creditor's Committee and Financial Advisor, and HIG. Without the assistance of Phoenix, it is unlikely that many of these critical tasks would have been completed in the timeframe or quality that was required.

(5) ANTICIPATED DISTRIBUTION TO CREDITORS:

(A) ADMINISTRATION EXPENSES: Paid in Full

(B) SECURED CREDITORS: Paid in Full

(C) PRIORITY CREDITORS: Paid in Full

(D) GENERAL UNSECURED CREDITORS: a \$5,000,000 fund (plus avoidance actions and estate actions) was created on the Effective Date for pro rata distribution to creditors. The ultimate dividend to creditors is unknown at this time.

(6) FINAL DISPOSITION OF CASE AND PERCENTAGE OF DIVIDEND PAID TO

CREDITOR (IF APPLICABLE): The Third Amended Joint Plan of Reorganization, as modified, was confirmed on July 22, 2008 and the Plan became effective on August 8, 2008.

I certify under penalty of perjury that the foregoing is true and correct.


SIGNATURE OF APPLICANT

DATE



UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

MARK E. FELGER (MF9985)
JERROLD N. POSLUSNY, JR. (JP7140)
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Proposed Attorneys for the Debtors

In re:

SHAPES/ARCH HOLDINGS L.L.C., et al.,

Debtors.

Case No. 08-14631 (GMB)
(Jointly Administered)

Judge: Gloria M. Burns

Chapter: 11

Recommended Local Form:

☐ Followed

☒ Modified

ORDER AUTHORIZING RETENTION OF PHOENIX MANAGEMENT SERVICES, INC., AS RESTRUCTURING ADVISORS FOR THE DEBTORS

The relief set forth on the following pages, numbered two (2) through three (3) is hereby **ORDERED**.

DATED: 4/9/2008



Honorable Gloria M. Burns
United States Bankruptcy Court Judge

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Shapes/Arch Holdings L.L.C., et al.

Case No: 08-14631(GMB)

Order Authorizing Retention of Phoenix Management Services, Inc., as Restructuring Advisors for the Debtors

In re: Shapes/Arch Holdings L.L.C., et al.
Case No.: 08-14631 (GMB)
Applicant: Shapes/Arch Holdings L.L.C., et al.

☐ Trustee: ☐ Chap. 7 ☐ Chap. 11 ☐ Chap. 13

☒ Debtors: ☒ Chap. 11 ☐ Chap. 13

☐ Official Committee of _____

Name of Professional: Phoenix Management Services, Inc.
Address of Professional: 110 Chadds Ford Commons
Chadds Ford, PA 19317

☐ Attorney for: ☐ Trustee ☐ Debtors-in-Possession
☐ Official Committee of _____

☐ Accountant for: ☐ Trustee ☐ Debtor-in-Possession
☐ Official Committee of _____

☒ Other Professional:

☐ Realtor ☐ Appraiser ☐ Special Counsel
☐ Auctioneer ☒ Other (specify): Debtors' Restructuring Advisors

Upon the applicant's request for authorization to retain the professional named above,

It is hereby ORDERED as follows:

1. The applicants, Shapes/Arch Holdings L.L.C., Shapes L.L.C., Delair L.L.C., Accu-Weld L.L.C. and Ultra L.L.C., are authorized to retain the above party in the professional capacity noted. Notwithstanding the foregoing, the United States Trustee and Phoenix Management Services, Inc., have agreed that the issue of an "evergreen" retainer will be deferred and resolved in due course.

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Shapes/Arch Holdings L.L.C., et al.

Case No: 08-14631(GMB)

Order Authorizing Retention of Phoenix Management Services, Inc., as Restructuring Advisors for the Debtors

2. Compensation shall be paid in such amounts as may be allowed by the Court upon proper application(s) therefor.

3. The effective date of the retention is the date the application was filed with the Court.

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